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Central Asia: The New Energy Battleground Not On



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Storage tanks-framed bulldozer shoveling sulphurous yellow substance (no caps), at Tengiz oil fields Tengiz Chevroil oil & gas refinery, Kazakh/Chevron joint venture. (Photo by Robert Nickelsberg/Ge...[More](#)

When Iranian missiles struck two tankers in the Strait of Hormuz last month, oil markets panicked. Traders watched the chokepoint, analysts tracked the shippers, and cable news counted the barrels at risk. But while everyone was

looking south, something equally consequential was happening thousands of miles to the northeast, in a landlocked region most Americans can't find on a map.

In [Kazakhstan](#), Uzbekistan, and Turkmenistan—three former Soviet republics sitting atop some of the world's largest untapped oil and gas reserves—a slow-motion geopolitical shift is underway. These countries are quietly, carefully, and deliberately loosening their ties to Russia. But they aren't pivoting West. They're leaning toward China. And Washington is barely paying attention.

Here is what this story is really about: The Iran war has exposed how fragile the world's energy supply chains are—and revealed that the countries best positioned to serve as backup energy sources for a disrupted world are in Central Asia. The scramble to lock in those supplies is already underway. China is way ahead. The United States is sidelined.

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That doesn't mean America needs Central Asian oil or gas. But oil is a globally traded commodity. In fact, when supply is disrupted anywhere, American consumers and companies feel it. More importantly, this is about who sets the rules of the global energy economy going forward. If China secures Central Asian supply chains, it can withstand Western pressure—on Iran, on Russia, on any future confrontation—with far greater resilience.

"Central Asia is a component of China's longstanding efforts to plan against dependency on Gulf energy, and more broadly to attain self-sufficiency," Robert Manning, a senior fellow at the Stimson Center and former State Department energy adviser, told me. China has long anticipated situations like the closure of the Strait of Hormuz.

[Kazakhstan produces more oil than Kuwait](#). [Turkmenistan](#) holds the world's fourth-largest natural gas reserves. Uzbekistan is a significant producer with a fast-growing population hungry for energy investment. Together, these countries sit between Russia to the north and China to the east, connected to both by pipelines that determine who gets their energy and on what terms.

Russia Is Losing Its Grip



VILVOORDE, FLEMISH BRABANT, BELGIUM - MAY 13: Ukrainians demonstrate in front of the Lukoil Headquarters on May 13, 2022 in Vilvoorde, Belgium. In the first two months of the war in Ukraine, [...More](#)

For most of the post-Soviet era, Russia controlled the exits. Oil and gas flowed north through Russian pipelines to Russian ports, giving Moscow both revenue and leverage. When Kazakhstan wanted to sell oil to Europe, it had to go through Russia. When Turkmenistan wanted to sell gas anywhere, Moscow had to agree.

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That era is ending.

The shift began with Russia's invasion of Ukraine in 2022, which reshuffled the economics and politics simultaneously. Suddenly, Russia was desperate to sell its displaced energy exports eastward, and Central Asian countries found themselves in an unexpected position: able to buy cheap Russian gas for their domestic needs while redirecting their production to more lucrative markets—primarily China.

The numbers tell the story. [Kazakhstan's oil production hit a record in 2025](#). But roughly [80% of its exports still flow north](#) through the Russian-controlled Caspian Pipeline Consortium to a Black Sea port. Since late 2025, [Ukrainian drone strikes have damaged that artery](#), leaving only one of three offshore loading terminals operational. Russia's traditional leverage is now a liability—and Kazakhstan is scrambling for alternatives.

Meanwhile, Chinese-built and Chinese-financed pipelines running east out of Turkmenistan and Kazakhstan now carry roughly [55 billion cubic meters of gas per year into China](#)—comparable to what Russia's Nord Stream pipeline had once sent to Europe. A fourth pipeline is under construction to expand that capacity.

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You might ask why China doesn't simply buy more oil and gas from Russia at a discount. Russia's pipelines to China run east from Siberia, entering northeastern China. Central Asian pipelines enter from the west, through China's Xinjiang region. These are entirely separate systems serving different parts of the country. They can't be swapped out. China isn't choosing between Russian gas and Central Asian gas. It needs both, and the two systems serve different parts of the country.

The Hormuz crisis has made all of this more urgent. China was absorbing roughly [90% of Iran's seaborne oil exports](#) before the war. With that supply suddenly at risk, Beijing's most logical hedge is to double down on energy that doesn't pass through the Gulf. That increases China's need for Central Asian supply. But it does not shift the underlying power balance in Central Asia's favor.

China Has The Cards



TEHRAN, IRAN - MARCH 12: A general view of the Port of Kharg Island Oil Terminal, 25 km from the Iranian coast in the Persian Gulf and 483 km northwest of the Strait of Hormuz, in Iran on March 12...[More](#)

Yes, Central Asian producers have the commodity, and China needs it. But China built and financed the pipelines through which those fuels travel. If you produce gas, but the only eastbound pipe was built and paid for by your customer, then your customer controls the terms.

Nargiss Kassenova, director of the Central Asian Program at Harvard's Davis Center, told me that it is "unlikely" that Central Asia's economic leverage will expand after the Iran war. "If we look at the big picture, the Iran war will further increase the role and leverage of China in the region."

Yet, not all see the situation as a lost cause for the West. Some analysts argue that Central Asian governments are not now controlled by any country and that the region's history calls for caution before declaring Beijing the winner.

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The evidence for that view is real. Kazakhstan has actively courted European and American investment—[Chevron and ExxonMobil](#) didn't arrive by accident.

And Kazakhstan has invested in a corridor running west to the Mediterranean and European markets—to escape both Russian and Chinese claws.

That hedge, though, has some weaknesses. The “Caspian Corridor” is real, although it moves a fraction of the volumes that the Chinese pipelines carry eastward. Kazakhstan can negotiate prices, play buyers against each other, and extract better terms. But it still can’t build a new pipeline to a different customer in less than a decade. China’s infrastructure investment has created a dependency that outlasts any individual contract or price cycle.

The window to build a genuine counterweight—through investment, infrastructure financing, and long-term contracts—is not closed. But it narrows with every kilometer of pipeline China completes. China’s Belt and Road record elsewhere—debt traps in Sri Lanka, failed projects in Africa—gives Central Asian governments reason to be wary of getting ensnared by China’s money. But that’s financing and scale that can’t be matched elsewhere, giving China the cards.

“Europe lulled itself into false complacency on Russian energy, rudely disrupted by the Ukraine war, and is still paying the consequences,” Dr. Manning explains. And while the United States may be a top oil and gas producer, “it is important to remember oil is a global market—as many are rediscovering at the gas pump.”

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The Strait of Hormuz will eventually calm down. It always does. But it would be a mistake to treat the Iran war as the cause of what is unfolding in Central Asia. China signed its first pipeline agreement with Turkmenistan in 2006, and it was moving gas to Chinese cities by 2009 — before most Western policymakers had Central Asia on their radar.

Indeed, China’s insurance policy has paid off. Central Asia has the reserves, the geography, and increasingly the motivation to be the world’s backup energy source when the Gulf goes dark. The Chinese, therefore, built accordingly, widening their fuel options while locking in structural economic advantages. It is a long-game strategy that the West has yet to match.

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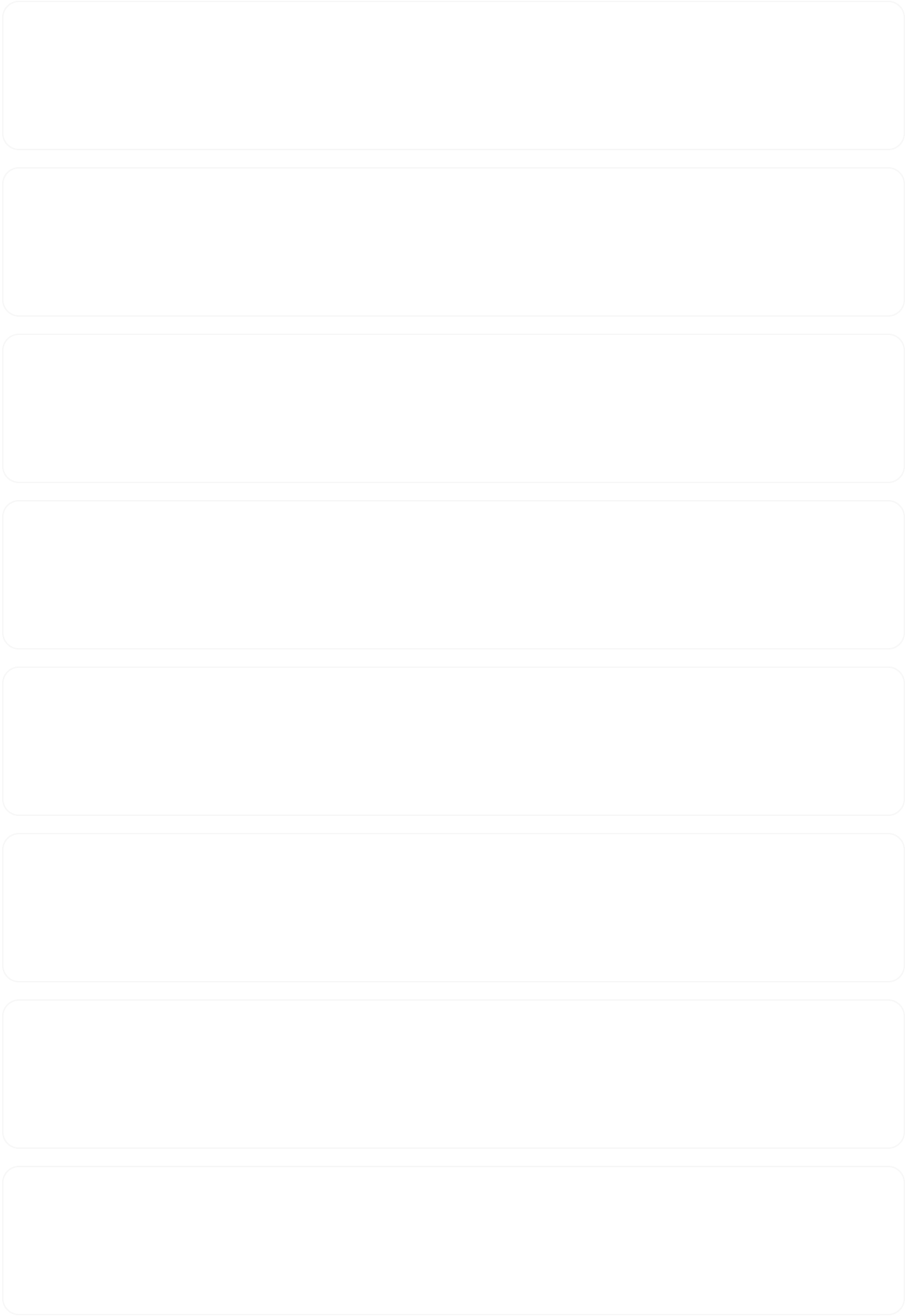
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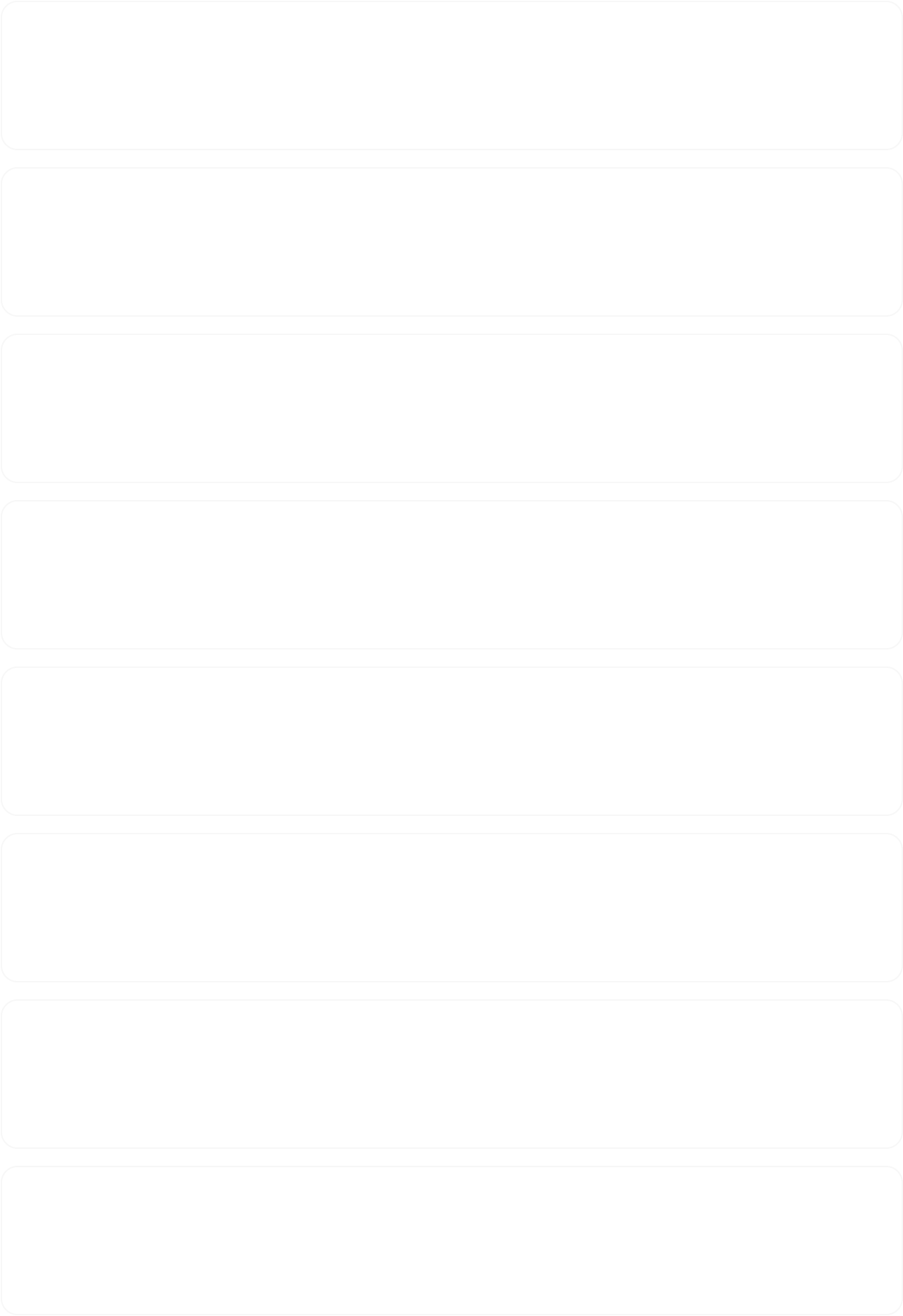
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